



April 1, 2004

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-A325
Washington, D.C. 20554

Re: In the Matter of Review of the Commission's Rules Regarding the Pricing of
Unbundled Network Elements; WC Docket No. 03-173

Dear Ms. Dortch:

This letter sets forth MCI's position with regard to AT&T's Motion to Require Incumbent Local Exchange Carriers to Respond to Data Requests, dated March 16, 2004 and filed in the above-referenced docket. MCI supports requiring the ILECs to verify that they maintain sufficient internal data to enable the determination of UNE rates under the "more real world" pricing methodologies that they advocate in this proceeding.

The Commission is considering requiring increased reliance on data regarding the ILECs' actual network, and the ILECs for the most part have strongly endorsed such an approach. Consequently, the availability of the data necessary for such an approach to be possible, and the manner in which that data is maintained and collected, is highly relevant to this proceeding. Since the ILECs alone maintain this data, and they are the strongest advocate of its use in TELRIC pricing proceedings, we join AT&T in urging the Commission to require the ILECs to produce the data they claim should be the basis of TELRIC pricing proceedings.

For the reasons stated in MCI's Comments and Reply Comments, MCI strongly opposes adoption of the pricing methodologies promoted by the ILECs and contends that the Commission should not adopt them in any case. However, for purposes of making an informed assessment of the ILECs' and MCI's competing claims concerning reliance on such methodologies, the Commission obviously needs to know whether the ILECs would actually be able to provide the data that would be needed to implement them. As noted by AT&T, the Commission cannot merely assume that data provided by the ILECs would be available, let alone reliable and complete. Accordingly, the Commission must evaluate the reliability and completeness of the data now, as a threshold issue, before it issues a decision in this docket.

In its Comments and Reply Comments, MCI voiced the same concerns with the ILECs' data that gave rise to AT&T's Motion. MCI asserted that the ILECs' so-called "real world" methodologies would in fact be dependent on models, assumptions, and sampling because "ILECs' books and records do not reliably provide the necessary information about their 'real'

network.”¹ MCI noted that ILEC data is of limited value for modeling, because “the ILECs frequently do not maintain records in sufficient detail to permit them to extract accurate data for use in pricing models.”² MCI continues to assert that the ILECs are incapable of providing actual cost data in a disaggregated form capable of accurately identifying costs on an element-by-element basis.

The ILECs contend that their data is adequate, but have yet to empirically prove their position. The only way to resolve this issue is for the ILECs to produce the data they claim they are able to produce in pricing cases. If they fail to do so, the Commission would have to conclude that their claims lack merit and that the record does not support use of the so-called “real world” assumptions that the ILECs propound and the Commission sought comment on.

The Commission cannot disregard these fundamental, threshold concerns regarding the sufficiency of ILECs’ data. The data requests contained in AT&T’s Motion provide the Commission with sound guidance on the information it should require the ILECs to provide in order to address these concerns.

In accordance with the Commission’s rules, MCI is electronically filing one copy of this letter in the record of the above-referenced docket.

Very truly yours,

John R. Delmore

cc: Tamara Preiss
Jeremy Marcus
Steven Morris

¹ Comments of MCI, *Review of the Commission’s Rules Regarding the Pricing of Unbundled Network Elements and the Resale of Service by Incumbent Local Exchange Carriers*, WC Docket No. 03-173, p. 7 (filed Dec. 16, 2003).

² Reply Comments of MCI, *Review of the Commission’s Rules Regarding the Pricing of Unbundled Network Elements and the Resale of Service by Incumbent Local Exchange Carriers*, WC Docket No. 03-173, p. 20 (filed Jan. 30, 2004).